

House Amendment 8420

PAG LIN

1 1 Amend House File 2731 as follows:
1 2 #1. Page 2, by striking lines 1 through 27 and
1 3 inserting the following:
1 4 <2. The department of economic development shall
1 5 approve five pilot project cities. Eligible cities
1 6 may apply to the department of economic development to
1 7 be designated as a pilot project city. A city is an
1 8 eligible city if it is located in a county that meets
1 9 two of the following distress criteria:
1 10 a. The county has an average weekly wage that
1 11 ranks among the bottom one to fifty counties in the
1 12 state based on the 2000 annual average weekly wage for
1 13 employees in private business.
1 14 b. The county has a family poverty rate that ranks
1 15 among the top one to fifty counties in the state based
1 16 on the 2000 census.
1 17 c. The county has experienced a percentage
1 18 population loss that ranks among the top one to fifty
1 19 counties in the state between 1995 and 2000.
1 20 d. The county has a percentage of persons sixty=
1 21 five years of age or older that ranks among the top
1 22 one to fifty counties in the state based on the 2000
1 23 census.
1 24 The department of economic development shall
1 25 conduct a peer review of tax structures and economic
1 26 development incentives and financing assessment study
1 27 for the states of Illinois, Iowa, Minnesota, Missouri,
1 28 Nebraska, South Dakota, and Wisconsin. The department
1 29 may contract with an outside firm or economists at
1 30 state board of regents universities to complete the
1 31 study. The study shall be used to identify areas
1 32 where Iowa is collectively uncompetitive with
1 33 neighboring states in terms of taxes and economic
1 34 development incentives. If the study identifies Iowa
1 35 has a disadvantage, the department shall implement the
1 36 pilot project.
1 37 As part of the selection process, the department of
1 38 economic development shall give priority to a city
1 39 that demonstrates that it has a disadvantage in tax
1 40 structures and economic development programs and
1 41 incentives as identified in the tax structures and
1 42 economic development incentives and financing
1 43 assessment.
1 44 Applications from eligible cities filed on or after
1 45 July 1, 2007, shall not be considered.>
1 46 #2. Page 3, line 24, by striking the word <ten>
1 47 and inserting the following: <not more than five>.
1 48 #3. Page 3, line 35, by inserting after the word
1 49 <assistance> the following: <for other projects>.
1 50 #4. Page 4, by inserting after line 5 the
2 1 following:
2 2 <(____) An employer that enters into a withholding
2 3 agreement with a pilot project city shall not receive
2 4 any state incentives or assistance from other state
2 5 economic development programs, including grants,
2 6 loans, forgivable loans, and tax credits for purposes
2 7 of the project during the term of the agreement,
2 8 except for training incentives or assistance as
2 9 allowed under paragraph "i".>
2 10 #5. Page 5, by inserting after line 33 the
2 11 following:
2 12 <____. Upon termination of the withholding
2 13 agreement, the pilot project city shall submit a
2 14 report to the department of economic development
2 15 detailing the economic activity of the city and the
2 16 improved cost of doing business in the city. The
2 17 report shall also include but not be limited to how
2 18 the city, through this program is more competitive
2 19 based on sales tax, property tax, income tax, or other
2 20 taxes.>
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